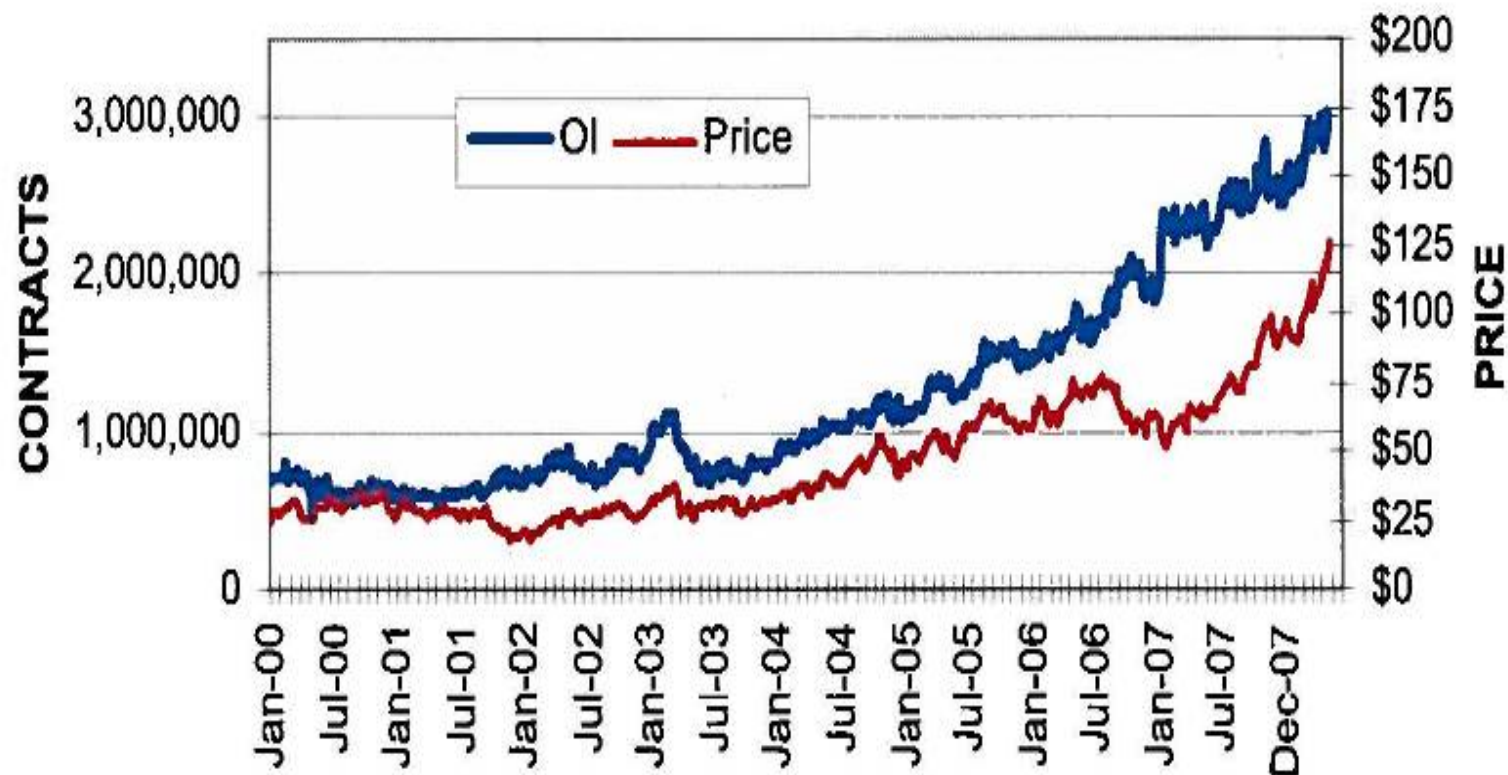


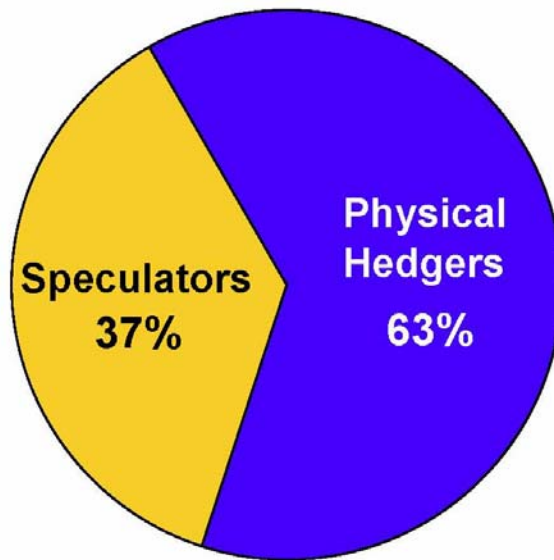
NYMEX TOTAL CRUDE OIL OPEN INTEREST Vs. Nearby NYMEX Futures



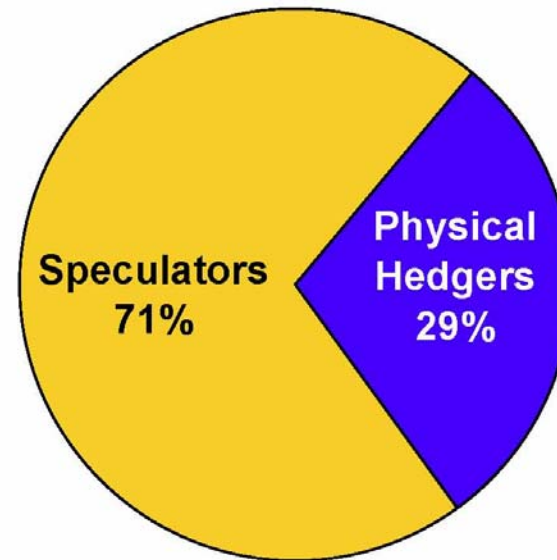
SOURCES: CFTC FUTURES AND OPTIONS COMBINED, CQG

Speculators Now Dominate WTI Crude Oil Trading on NYMEX

(WTI average open interest, long positions)



January 2000



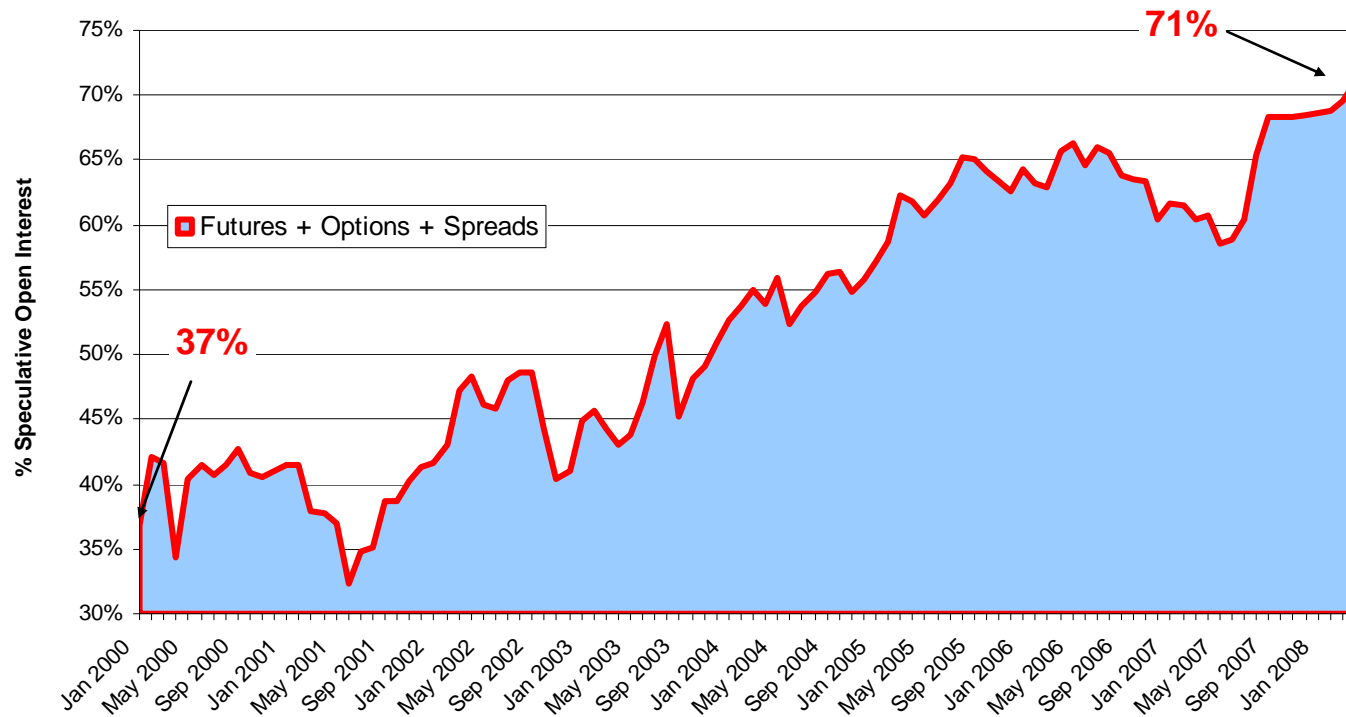
April 2008

Source: Estimates based on CFTC Data, Office of the Chief Economist

Note: Speculative positions are estimated by combining the long positions of swap dealers and CFTC classified non-commercial traders (floor traders, managed money, and non-reportable traders). Physical Hedger positions are estimated by combining the long positions of all CFTC classified commercial traders (commercial dealers, producers, manufacturers, and other commercial) but excluding swap dealers. While some swap dealer positions represent underlying physical hedges, some physical hedger positions also include commercial entities that engage in purely speculative trading. CFTC data lacks sufficient detail to sort out these uncertainties.

The Rise of Speculation as a Percentage of Open Interest on the NYMEX WTI Contract

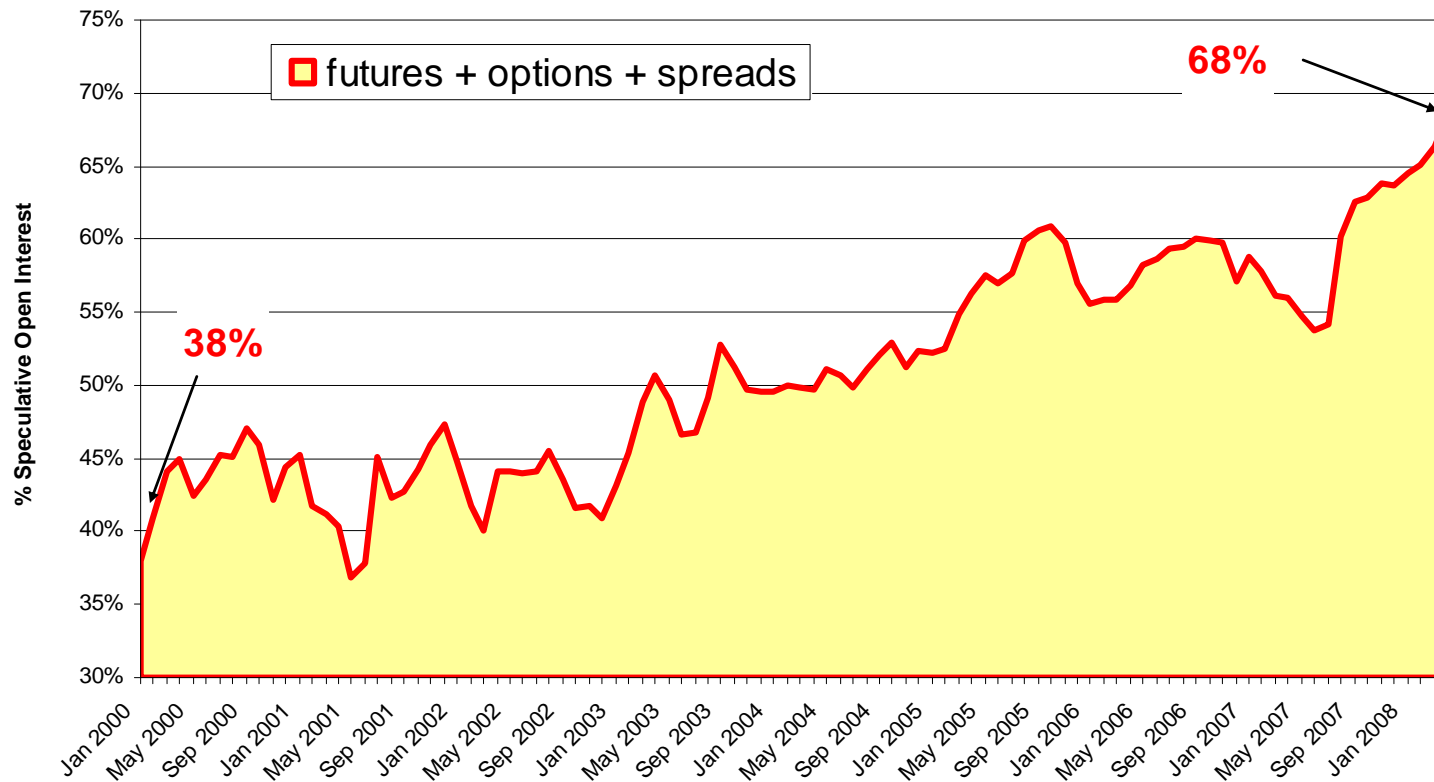
January 2000- April 2008 (Long Positions Only)



Source: Estimates based on CFTC Data, Office of the Chief Economist

Note: Speculative positions are estimated by combining the long positions of swap dealers and CFTC classified non-commercial traders (floor traders, managed money, and non-reportable traders). Excluded from speculative positions are physical hedger positions, which are estimated by combining the long positions of all CFTC classified commercial traders (commercial dealers, producers, manufacturers, and other commercial) but excluding swap dealers. While some swap dealer positions represent underlying physical hedges, some physical hedger positions also include commercial entities that engage in purely speculative trading. CFTC data lacks sufficient detail to sort out these uncertainties.

The Rise of Speculation as a Percentage of Open Interest on the NYMEX WTI Contract January 2000- April 2008 (Short Positions Only)



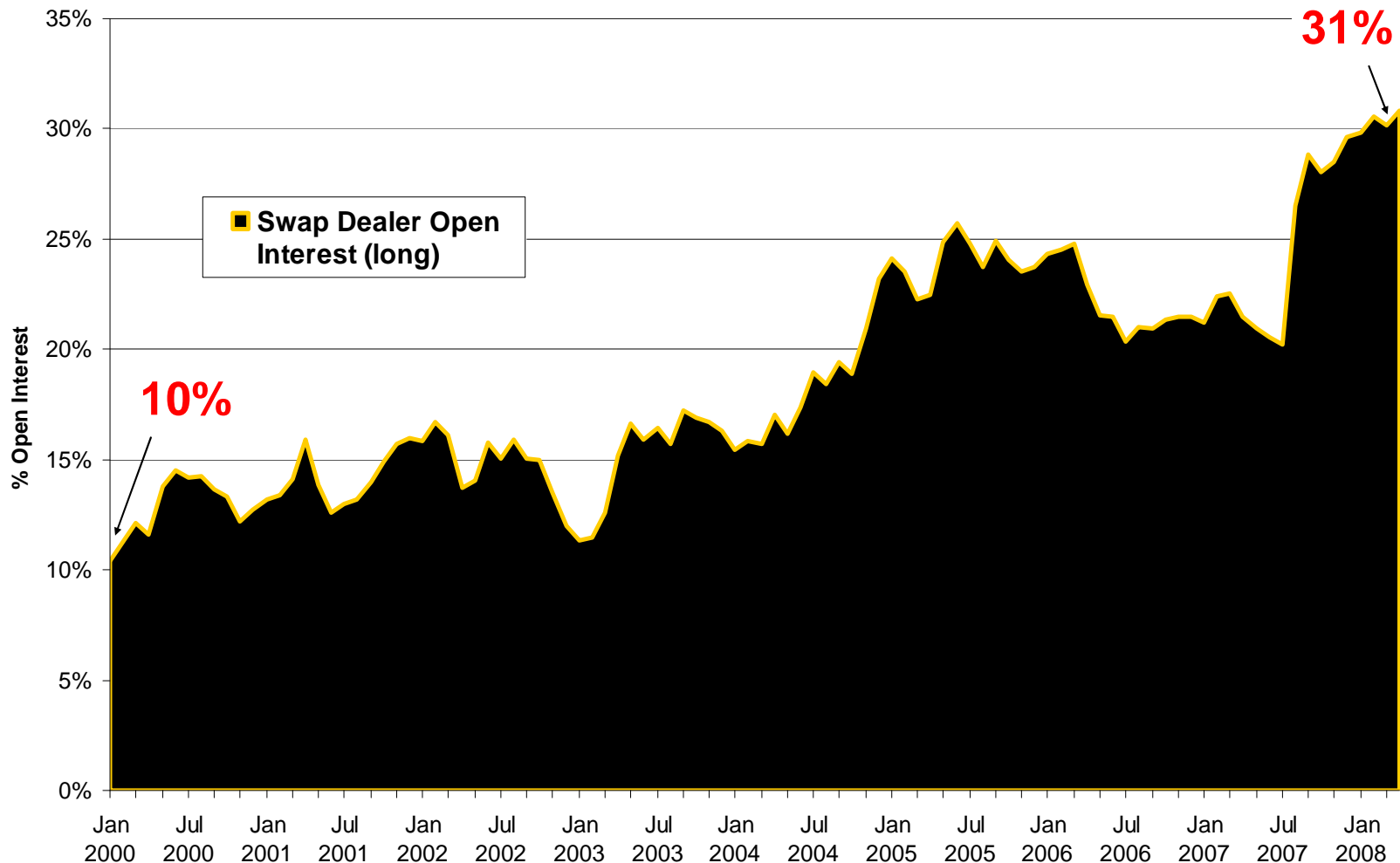
Source: Estimates based on CFTC Data, Office of the Chief Economist

Note: Speculative positions are estimated by combining the long positions of swap dealers and CFTC classified non-commercial traders (floor traders, managed money, and non-reportable traders). Excluded from speculative positions are physical hedger positions, which are estimated by combining the long positions of all CFTC classified commercial traders (commercial dealers, producers, manufacturers, and other commercial) but excluding swap dealers. While some swap dealer positions represent underlying physical hedges, some physical hedger positions also include commercial entities that engage in purely speculative trading. CFTC data lacks sufficient detail to sort out these uncertainties.

Swap Dealers Growth Triples in Eight Years

WTI Open Interest on NYMEX (Long Positions)

January 2000 - April 2008



Source: CFTC Data, Office of the Chief Economist

Swap Dealer Growth

WTI Open Interest on NYMEX (Short Positions)

January 2000- April 2008

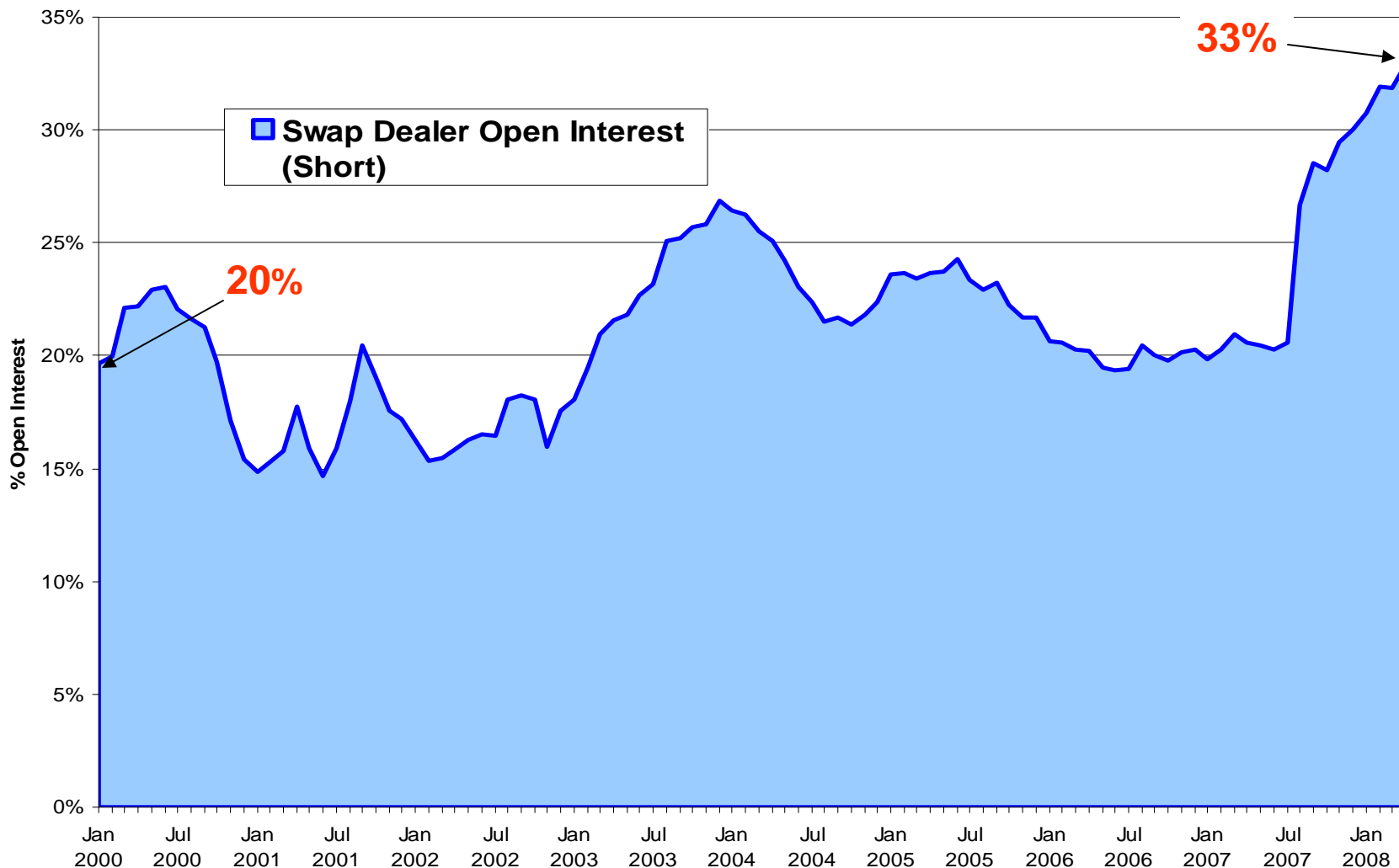
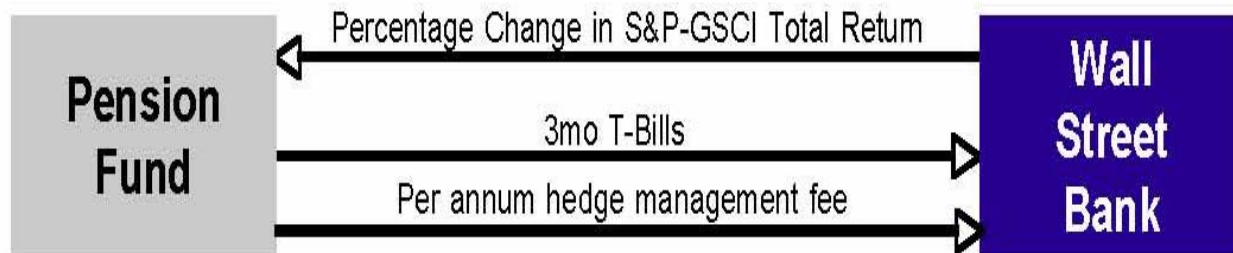


Diagram of a Commodity Index Swap

Swap
Diagram
Example

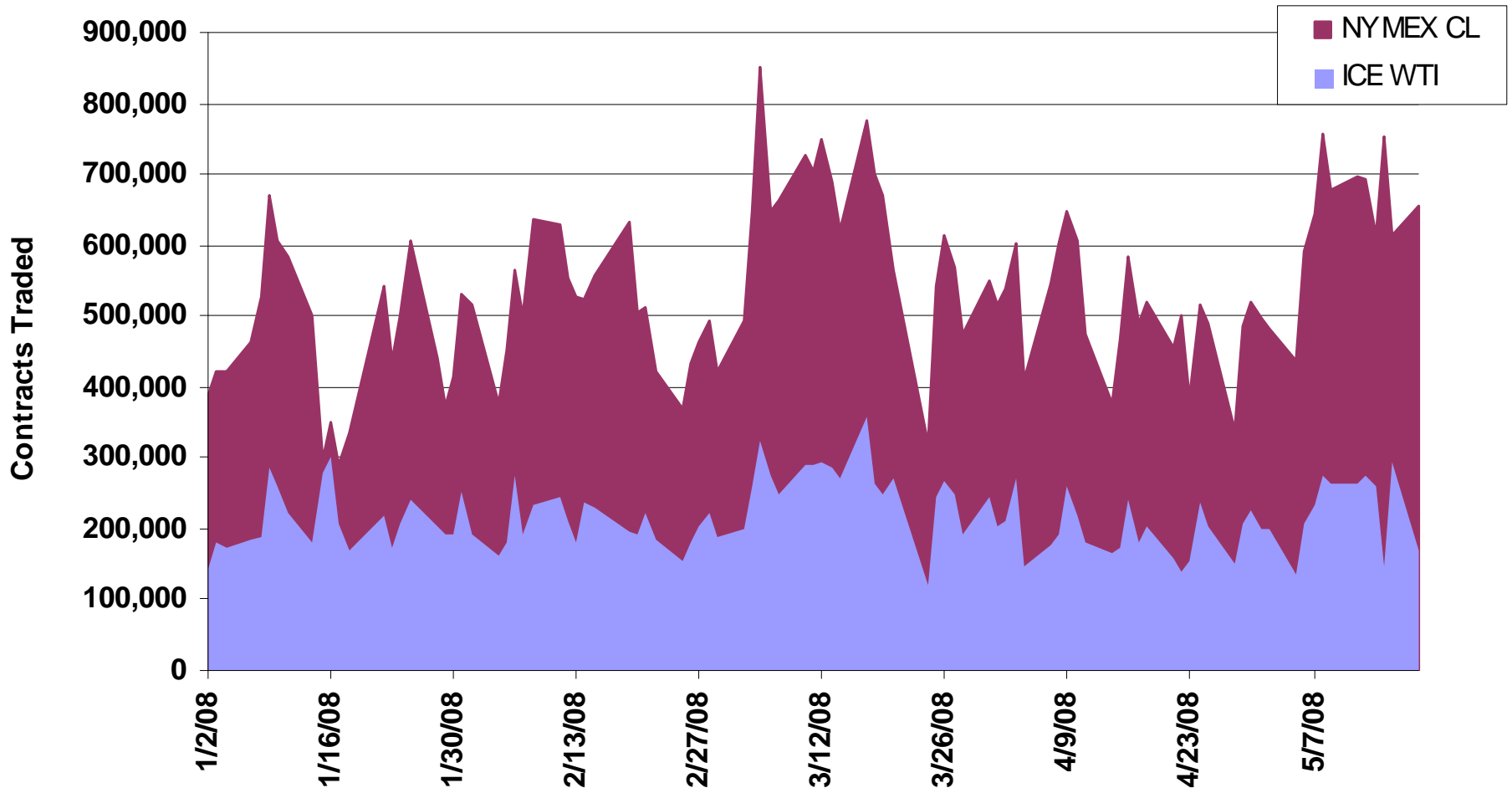


Swap
Diagram
Example
(continued)



ICE WTI vs. NYMEX WTI

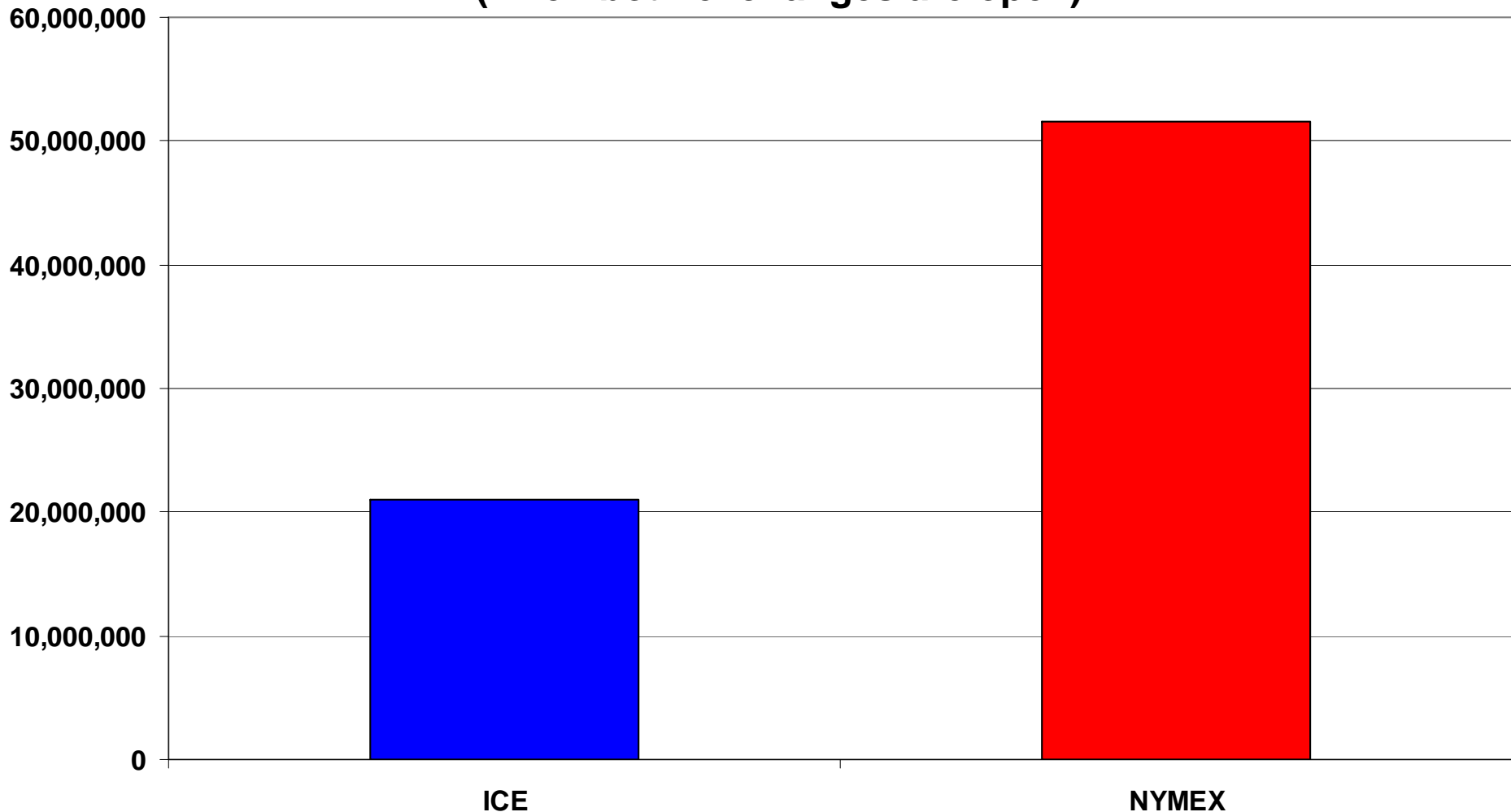
Total Contracts Traded
January 2, 2008- May 19, 2008
(When both exchanges open)



Source: CFTC Data

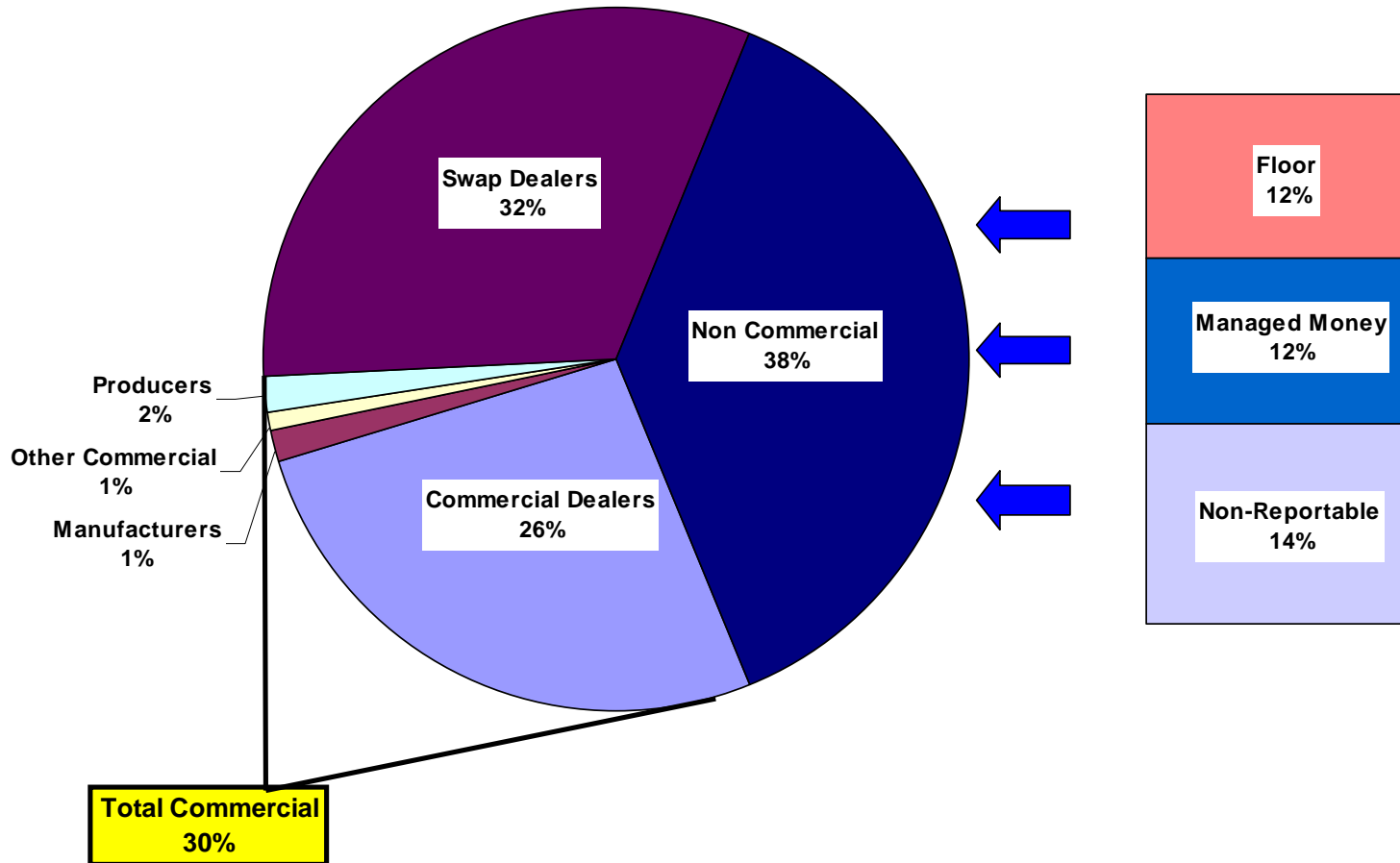
ICE WTI vs. NYMEX WTI

Total Contracts Traded
January 2, 2008 – May 19, 2008
(when both exchanges are open)



WTI Average Open Interest for April 2008 on NYMEX

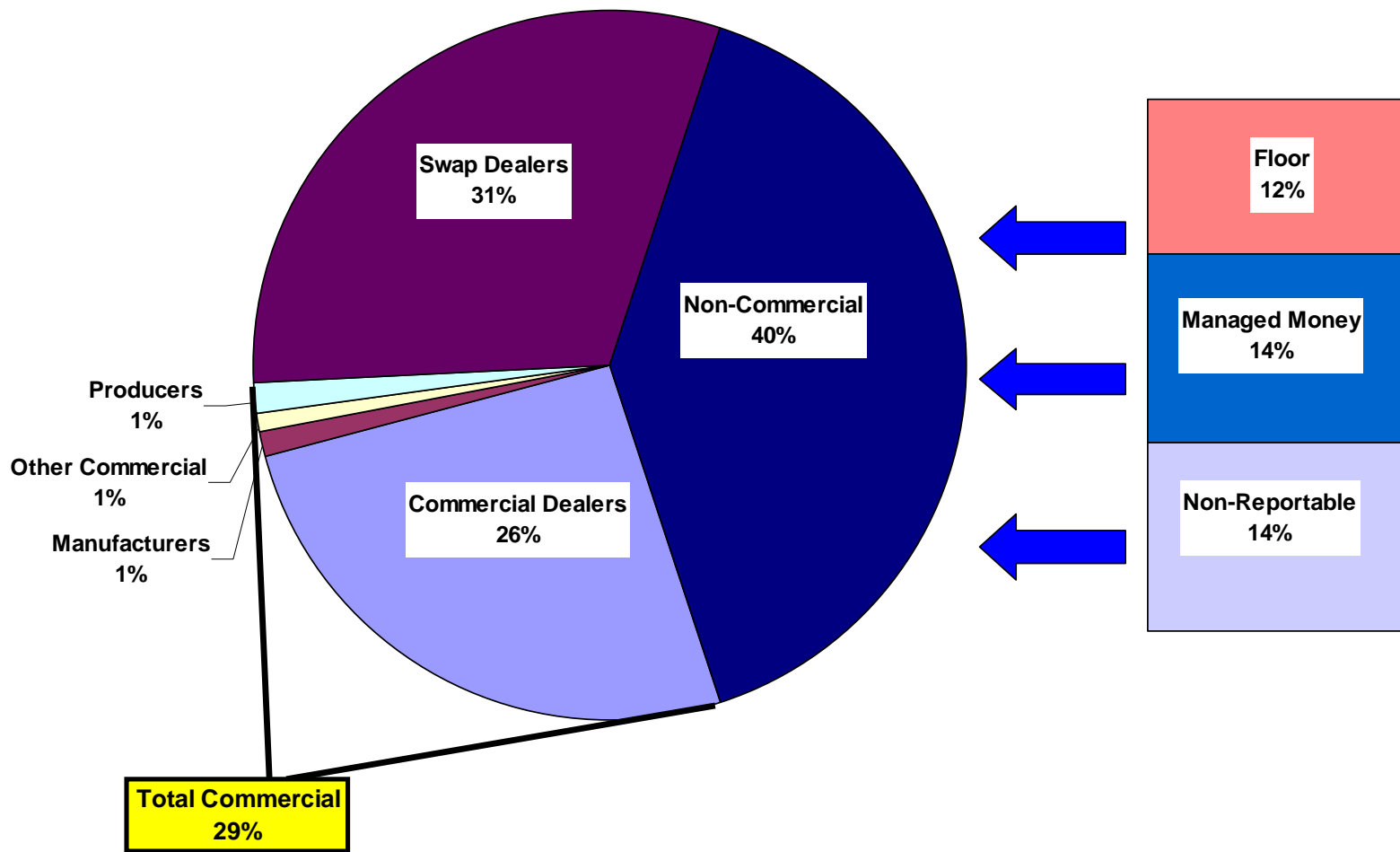
Long & Short Positions



Source: CFTC (NYMEX Futures, Options, and Spreads Data)

WTI Average Open Interest for April 2008 on NYMEX

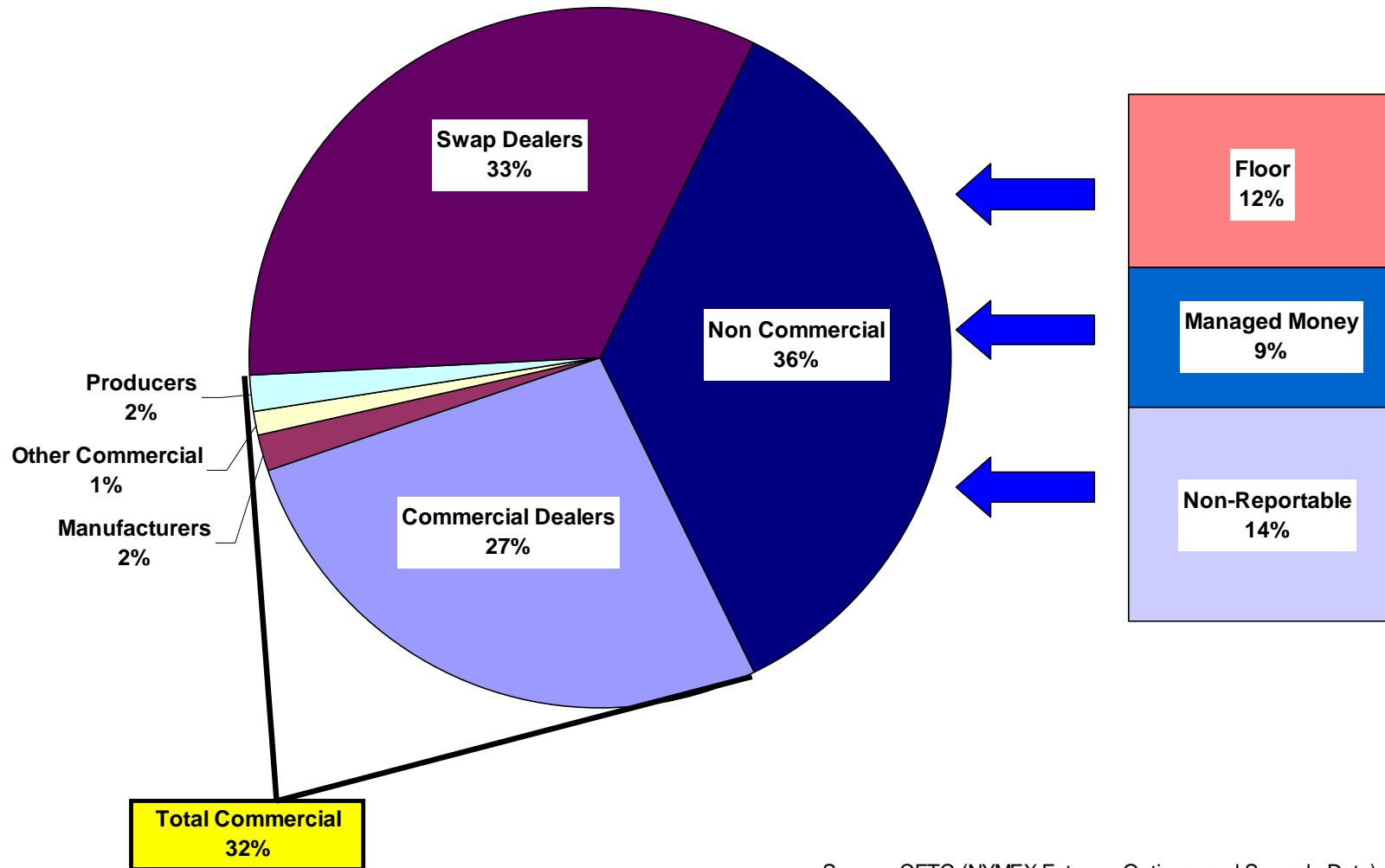
Long Positions



Source: CFTC (NYMEX Futures, Options, and Spreads Data)

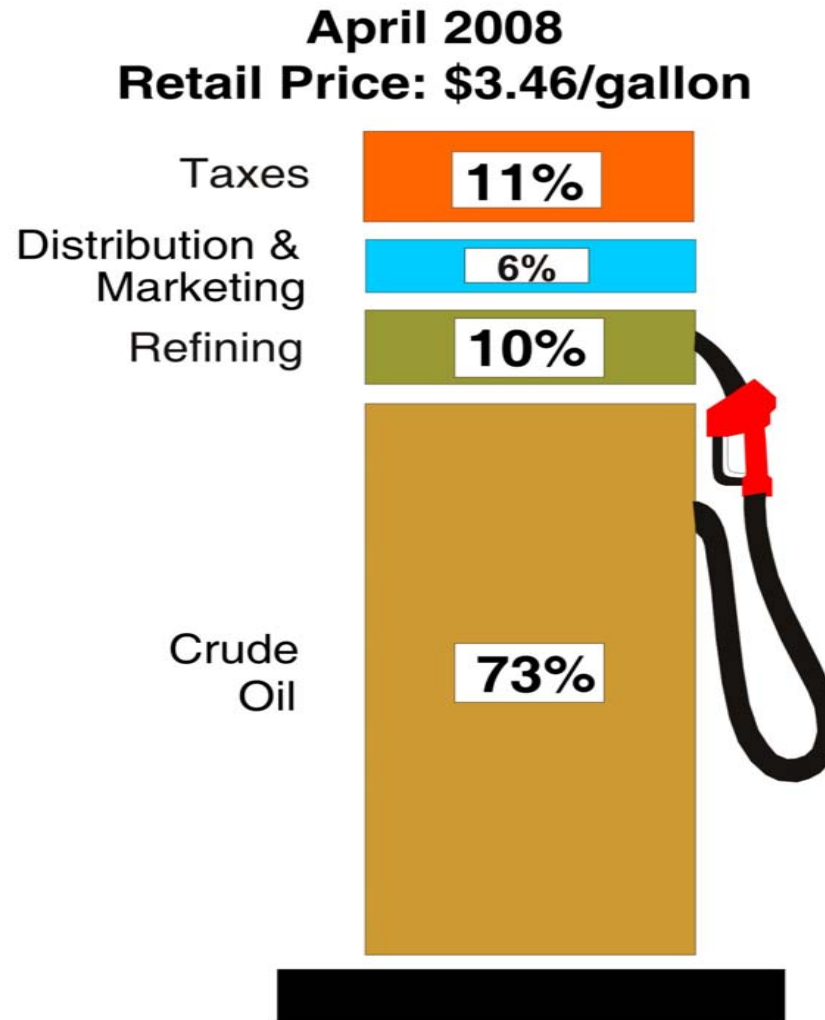
WTI Average Open Interest for April 2008 on NYMEX

Short Positions



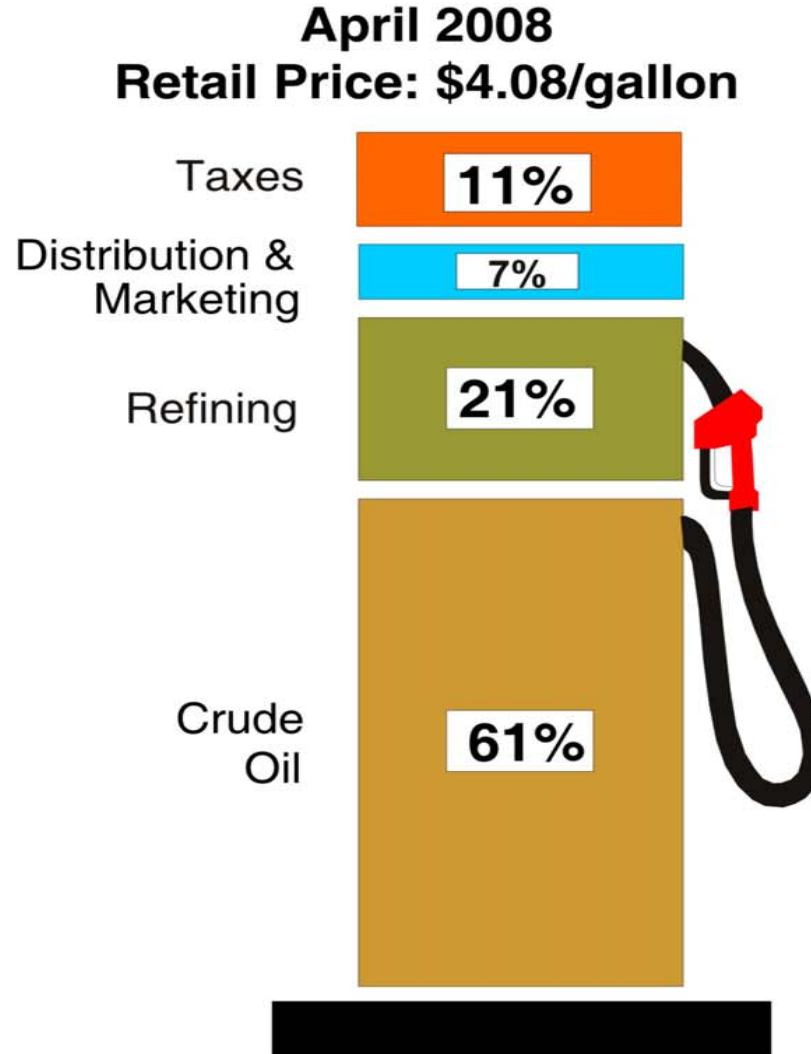
Source: CFTC (NYMEX Futures, Options, and Spreads Data)

What We Pay for at the Pump for a Gallon of Regular Gasoline?

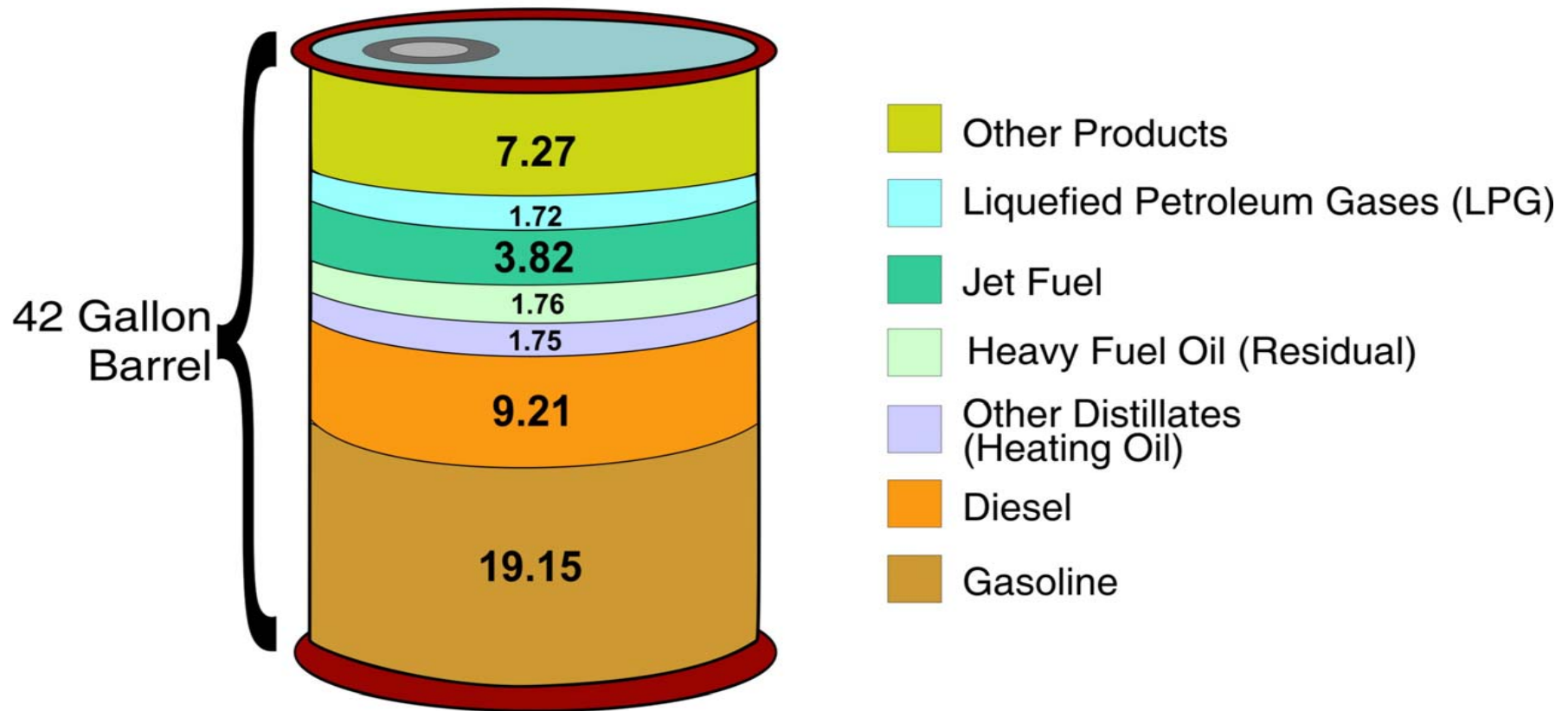


Source: Energy Information Administration

What We Pay for at the Pump for a Gallon of Diesel



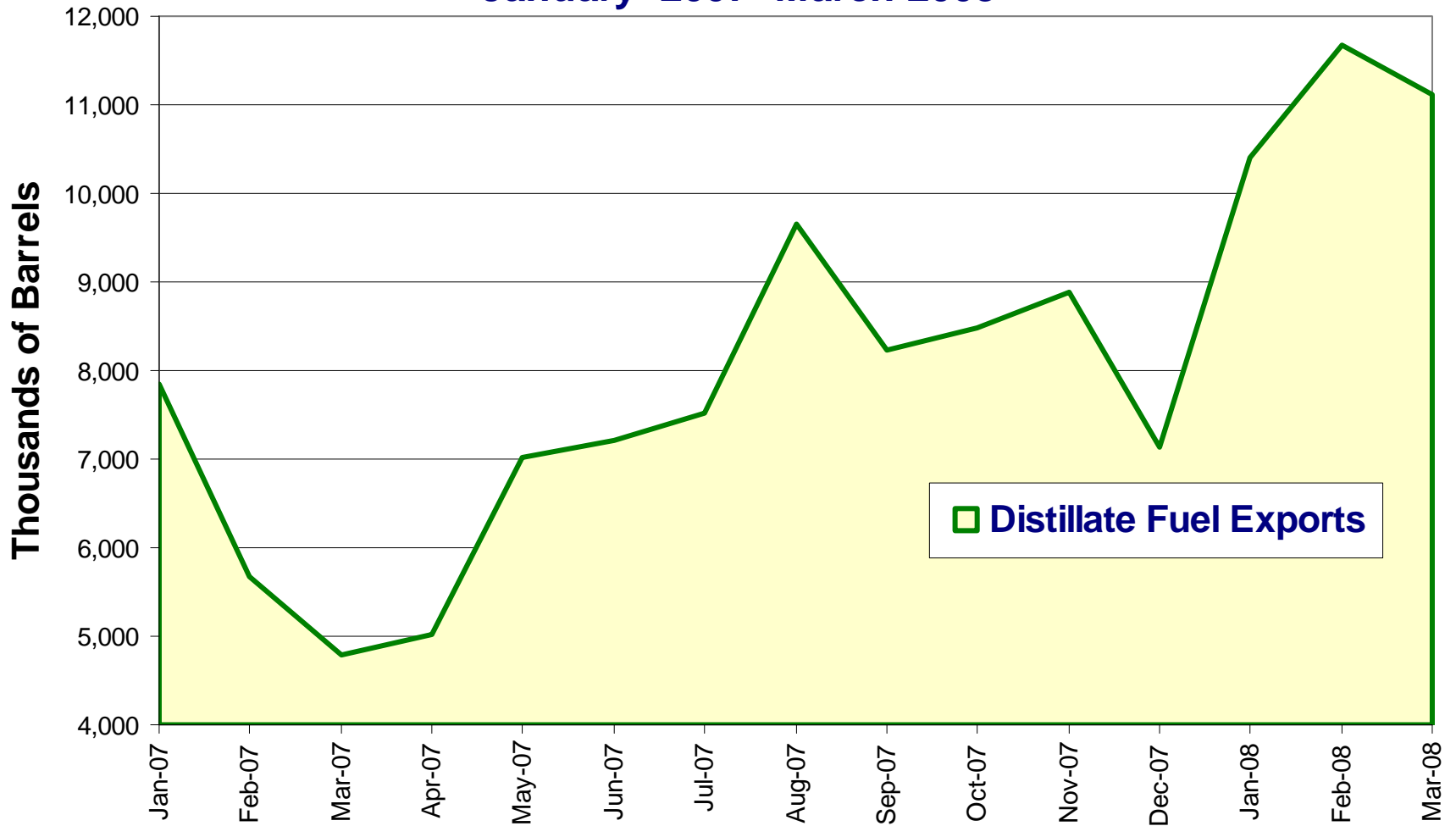
Products Made From A Barrel of Crude Oil (Unit of Measure: Gallons)



Source: Energy Information Administration
(The total is greater than 42 gallons due to processing gain.)

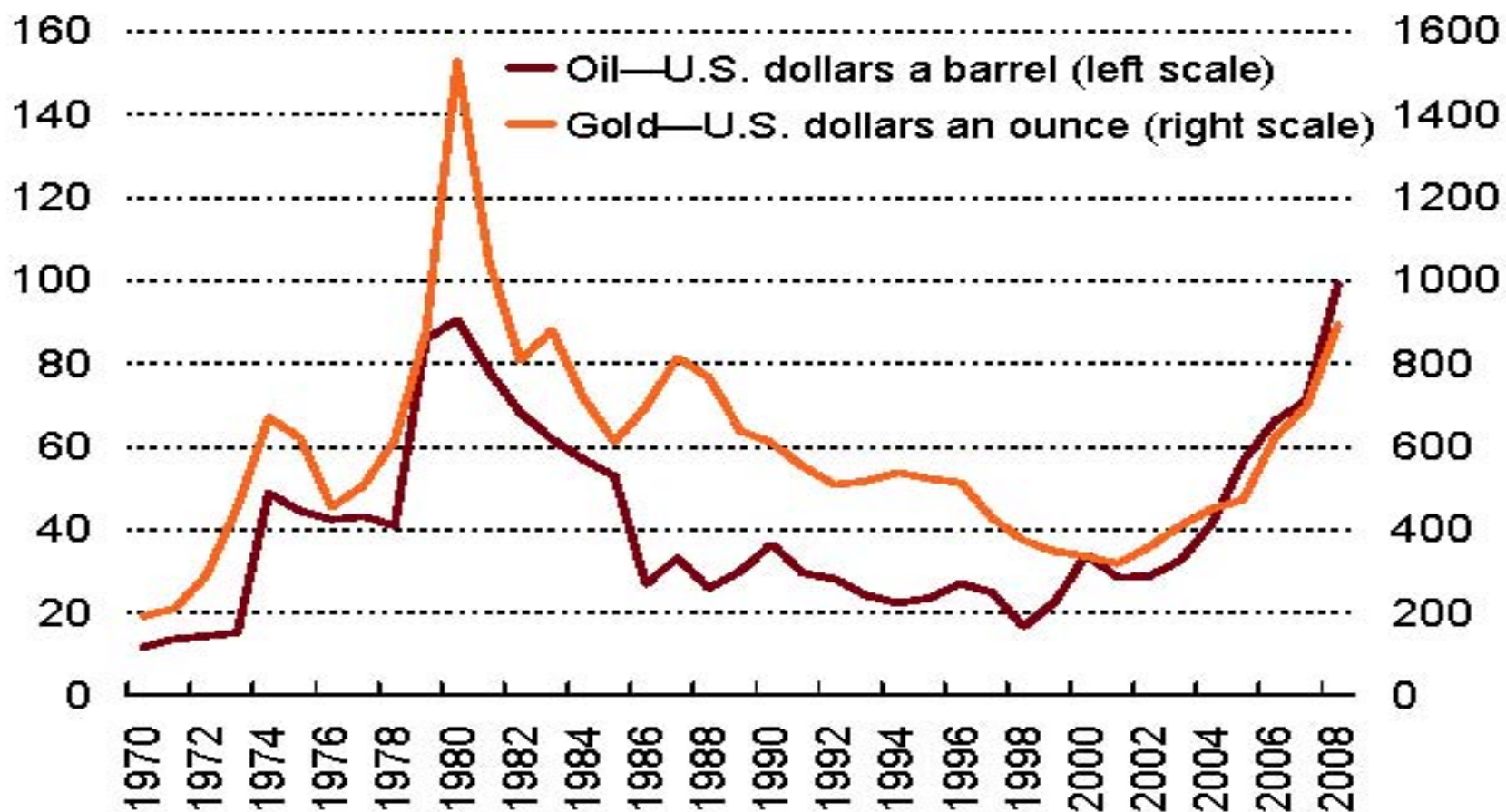
Distillate Fuel Exports

January 2007- March 2008



Source: Energy Information Administration

Figure B7.2. Oil and Gold Prices Deflated by U.S. CPI
(Base year = 2007)



Source: IMF, *World Economic Outlook*.